

FINANCE TRIVIA

- SFC-UI

1.

-----is investment in private companies
that are not traded publicly.

Answer: Private Equity

2.

----- Shareholders get preference in dividend payments but do not have voting rights.

Answer: Preferred Shareholders

3.

A ----- bond gives the holder the right to convert
it to a pre-specified number of shares

Answer: Convertible Bonds

4.

A type of security that derives its value from an
underlying asset

Answer: Derivative

5.

The mix of debt and equity that a company uses
to finance its business

Answer: Finance/ Capital structure

6.

Debt securities with maturity periods of between
1 -10 years are called ...

Answer: Notes

7.

----- are instruments by which you can
own shares in a foreign company

Answer: Depository Receipts

8.

Which of these typically classifies as indirect
investments:

Mutual Funds, Real Estate Investment trusts,
Investment in commodities

Answer: Mutual Funds

9.

Diversification is -----

Answer: a risk management strategy that mixes a wide variety of investments within a portfolio.

- Investopedia

10.

The act of using a company's assets as represented on the balance sheet including its inventory and short term investments to borrow money

Answer: Asset Financing

11.

Preferred shares, Sovereign bonds, Common
Shares.

Which of these is most likely to have the least
yield

Answer: Sovereign Bonds

12.

A ----- Allows borrowers to exchange debt service obligations denominated in one currency for equivalent debt service obligations denominated in another currency

Answer: Currency Swap